

Information related to Regulation G

LGI:

Operating cash flow, free cash flow and adjusted free cash flow are non-GAAP measures as contemplated by the U.S. Securities and Exchange Commission's Regulation G. A reconciliation of historical operating cash flow, free cash flow and adjusted free cash flow to the most directly comparable GAAP financial measure is presented below:

	Three months ended March 31,	
	2012	2011
	in millions	
Total segment operating cash flow from continuing operations (a)	\$ 1,195.6	\$ 1,061.9
Stock-based compensation expense	(27.7)	(33.9)
Depreciation and amortization	(670.7)	(589.0)
Impairment, restructuring and other operating charges, net	(2.9)	(6.1)
Operating income	494.3	432.9
Interest expense	(418.1)	(347.2)
Interest and dividend income	19.0	20.2
Realized and unrealized losses on derivative instruments, net	(614.1)	(10.7)
Foreign currency transaction gains, net	479.0	384.2
Realized and unrealized gains (losses) due to changes in fair values of certain investments and debt, net	50.9	(93.6)
Losses on debt modifications and extinguishments	(6.8)	(19.3)
Other expense, net	(0.3)	(3.3)
Earnings from continuing operations before income taxes	<u>\$ 3.9</u>	<u>\$ 363.2</u>
Net cash provided by operating activities of continuing operations	\$ 754.8	\$ 694.4
Excess tax benefits from stock-based compensation	0.5	20.2
Cash payments for direct acquisition costs	12.9	3.8
Capital expenditures	(521.3)	(489.6)
Principal payments on vendor financing obligations	(2.0)	—
Principal payments on certain capital leases	(3.0)	(2.5)
Free cash flow (b)	<u>\$ 241.9</u>	<u>\$ 226.3</u>
Free cash flow	\$ 241.9	\$ 226.3
Payments associated with Old Unitymedia's pre-acquisition capital structure	—	6.4
FCF deficit of VTR Wireless	37.4	9.8
Adjusted free cash flow	<u>\$ 279.3</u>	<u>\$ 242.5</u>

(a) LGI defines operating cash flow as revenue less operating and selling, general and administrative expenses (excluding stock-based compensation, depreciation and amortization, provisions for litigation, and impairment, restructuring and other operating charges or credits).

(b) LGI defines free cash flow as net cash provided by our operating activities, plus (i) excess tax benefits related to the exercise of stock incentive awards and (ii) cash payments for direct acquisition costs, less (a) capital expenditures, as reported in our consolidated cash flow statements, (b) principal payments on vendor financing obligations and (c) principal payments on capital leases (exclusive of our network lease in Belgium and our duct leases in Germany), with each item excluding any cash provided or used by our discontinued operations.